(c) the steps taken to reduce the prices of food stuffs in the public distribution system, to help the consumers particularly the vulnerable among the ration card holders; and

(d) if not, the reasons and justification to allow concessional delivery of wheat and rice from the FCI stocks to the bread manufacturers, flour mills etc.?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) and (b) Yes, please. Favourable monsoons for the last few years and consequent very good production of foodgrains resulted in increased level of procurement of foodgrains for the Central Pool and therefore, FCI's stock position of foodgrains (wheat & rice) is quite comfortable.

(c) and (d) The Central Issue Prices (CIP) of wheat and rice for Public Distribution System (PDS) and revamped Public Distribution System (RPDS) have not been revised after 1st Feb. '94, though increases have become due consequent to the increases in the Minimum Support Prices (MSP) of wheat and paddy. The foodgrains are supplied to State/UTs for RPDS areas from Central Pool at Rs. 50 per quintal less than the CIP for PDS. Thus, the Government has to bear a heavy burden in the shape of food subsidy.

In the interest of consumers, the Modern Food Industries India Ltd. (MFIL) has been allocated 1.87 lakh tonnes of wheat for a period of 1 year from October '94 at Rs. 1,000/- per metric tonne less than the Central Issue Price for PDS, comprising 1.50 lakh tonnes for bread manufacturing subject to reduction in the prices of bread and 0.37 lakh tonnes for production of energy foods subject to keeping the prices of energy foods frozen during the period of supply of wheat at concessional rate. The MFIL has reduced its price of bread by 25 paise for a 400 gm. loaf and 50 paise for a 8200 gm. loaf in its Delhi and Bombay units. It has also reduced the price of bread by 50 paise for a 400 gm. loaf and one rupee for 800 gm. loaf at its remaining units in the country. The franchised units of the MFIL have also been allocated 2358 MT of wheat per month at the above concessional rate with the condition that these units would also reduce the price of their bread in line with the price reduction effected by MFIL. Besides issue of wheat to MFIL at concessional rate, in the interest of the students belonging to weaker sections viz. SC|ST|OBC, 1.68 lakh tonnes of foodgrains has been allocated from Central Pool for issue to the States/UTs for SC|ST|OBC hostels having atleast 2|3rd inmates belonging to these communities at RPDS rates throughout the country. The total requirement of foodgrains for this scheme has been estimated at 2.24 lakh tonnes for 1995-96 tentatively.

The Government have also decided to supply 5 lakh tonnes of foodgrains (rice and wheat) per annum for a period of 5 years for employment generation by manufacturing food products such as bread, buns, papar etc. by below poverty line families at a concessional rate of Rs. 1,000/- per tonne less than the CIP for PDS. Out of this quantity, 3.5 lakh tonnes per annum has been earmarked for rural areas and the balance 1.5 lakh tonnes for urban areas.

Storage Facilities for Foodgrains in Gujarat

3166. SHRI KANAKSINH MOHANSINH MANGROLA: Will the Minister of FOOD be pleased to state:

(a) whether the storage facilities for foodgrains are adequate in the State of Gujarat and in other parts of the country;

(b) if not, the steps taken by Government in this regard;

(c) whether Government have any proposal to construct/acquire more godowns in the country including the State of Gujarat; and

(d) if so, the details thereof?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) and (b) At macro level, the existing storage capacity is adequate to store the available stocks. However in order to take care of any deficiency at local levels, Field Officers of Food Corporation of India have been delegated powers for hiring additional storage capacity from Private Parties as well as Government agencies like Central Warehousing Corporation|State Warehousing Corporation, State Governments etc. Besides, various steps like expediting the on-going construction of godons, enhancement of Cover and Plinth capacity of Food Corporation of India, encouraging private parties to construct godowns etc. are being taken to provide additional storage capacity for foodgrains as a long term strategy.

(c) and (d) Food Corporation of India proposes to construct an additional storage capacity of 1.43 lakh tonnes in the country during the year 1995-96, subject to availability of suitable land/ funds etc. Food Corporation of India has a proposal to construct a godown at Bharuch in Gujarat.

Open sale of wheet and rice by FCI

3167. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FOOD be pleased to state:

(a) whether the attention of Government has been drawn to a news item in 'Observer' of 1st March, 1995 under the caption "FCI's open sale of wheat, rice made more attractive";

(b) if so, the reasons for such open sales instead of larger releases through the Public Distribution System (PDS);

(c) whether superfine rice is being supplied to the Fair Price Shops in Delhi and other areas for distribution through PDS;

(d) if so, the quantities of super fine rice released in different States and Union Territories during the year 1993-94 and 1994-95 and the issue price of the same: and

(e) offtake of variety-wise rice and wheat through PDS in different States/ Union Territories during the last three years?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) Yes Sir.

(b) Food Corporation of India has been permitted to sell rice and wheat which is in excess of the PDS requirements of States/UTs, in the open maket for the following reasons/objectives:

(1) to release much needed storage space for the current procurement seasons for rice and wheat.

(2) to reduce the carrying cost of stocks held by FCI.

(3) to exercise, as a measure of market intervention a sobering influence on the open market prices of rice and wheat; and

(4) to reduce to some extent the food subsidy amount.

(c) to (e) Yes, Sir. Superfine rice is supplied in Delhi and in other places under Public Distribution System. The State Government (s) and|or their nominees lift common|fine or superfine rice for distribution through Fair Price Shops according to the availability and local requirements.